

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

CIVIL SUPPLIES – Decentralised Procurement – Kharif Marketing Season 2012-13 – Entrustment of Decentralised Procurement for KMS 2012-13 to the AP State Civil Supplies Corporation Limited – Orders – issued.

CONSUMER AFFAIRS, FOOD AND CIVIL SUPPLIES (CS-I) DEPARTMENT

G.O.Ms.No. 37

DATED: 13-09-2012

Read the following:-

1. Lr.No.16(13)/2010-PY.I dated 10.1.2011 of the Ministry of Consumer Affairs, Food and Public Distribution, Department of Food and Public Distribution, New Delhi.
2. Lr.No.5 (2)/2011-PY.I dated 29.8.2011 of the Ministry of Consumer Affairs, Food and Public Distribution, Department of Food and Public Distribution, New Delhi.
3. Lr.No.10(1)/2012-PD.I(Vol.I) dated 22.5.2012 of the Ministry of Consumer Affairs, Food and Public Distribution, Department of Food and Public Distribution, New Delhi.
4. Lr.No.PI(1)/1078/2012 dated 3.7.2012 of the Commissioner of Civil Supplies & Ex-Officio Secretary to Govt., Department of Consumer Affairs, Food and Civil Supplies, AP, Hyderabad.
5. Lr.No.16(13)/2010-Py.I dated 9.8.2012 of the Ministry of Consumer Affairs, Food and Public Distribution, Department of Food and Public Distribution, New Delhi.

ORDER:

In the letters 1st to 3rd read above, the Government of India had written to the Government of Andhra Pradesh to adopt decentralized procurement of paddy, become a Decentralised Procurement State and also increase direct procurement of paddy from farmers instead of depending heavily on levy route. According to the Decentralised Procurement Scheme of the Government of India (i) the State Government through its agency shall procure paddy/rice from the farmers/millers at Minimum Support Price/at levy rate, utilize it for the PDS and other schemes as per the allotment made by the Government of India and deliver surplus rice, if any, to the FCI for the Central pool; ii) the Central Government undertakes to meet the entire expenditure incurred by the State Government towards the procurement (acquisition) cost and distribution cost as per the approved costing by the Government of India; iii) release provisional subsidy, 100% of fixed incidentals such as MSP, taxes and statutory levies including VAT, Milling charges, drriage (for raw rice only) and balance incidentals which are variable at 95%; and iv) release of the advance quarterly subsidy at 90% of admissible claim at the beginning of the quarter and provisional quarterly subsidy at the end of a quarter at 95% of admissible claim on receipt of their claims. Balance 5% subsidy shall be released after finalization of accounts and fixation of final economic cost on the basis of audited accounts and supporting documents furnished for the year in question by the State.

2. The advantages in the decentralized procurement are :i) ensures MSP to famers due to direct involvement of State agencies; ii) timely payment of MSP to farmers ; iii) self-reliance in procuring rice for PDS distribution; and iv) increase in the employment in the State due to huge man power requirement for smooth operation of procurement process etc.

3. Government of Andhra Pradesh, after careful consideration of the issue, communicated to the Government of India that Andhra Pradesh will undertake the decentralized procurement from Kharif Marketing Season 2012-13 – vide reference fourth read above. Government of India vide reference fifth read above, communicated their principle approval for adoption of Decentralised procurement system for paddy procurement in Andhra Pradesh starting from KMS 2012-13 and desired that the signed MoU shall be sent by the Government of Andhra Pradesh at the earliest for taking further action.
4. Government of Andhra Pradesh hereby issues orders that the Andhra Pradesh State Civil Supplies Corporation shall undertake the Decentralised procurement of paddy/rice during KMS 2012-13, from farmers/millers and utilize the resultant rice for its PDS and other welfare schemes as per the DCP scheme and hand over the surplus rice to the Food Corporation of India. The Government of Andhra Pradesh shall review the situation in due course and take a decision on the need of any exclusive Corporation for the procurement of rice under Decentralised Procurement.
5. The VC & Managing Director of A.P. State Civil Supplies Corporation Ltd. shall take necessary action to ensure that all arrangements are made to accept the paddy from the farmers and also the levy raw rice from the rice millers under the decentralized procurement during KMS 2012-13.
6. The Commissioner of Civil Supplies shall send the costing sheet consisting of acquisition cost and distribution cost for approval of the Govt. of India at the earliest. He shall also sign the Memorandum of Understanding and send it to the Government of India duly following the procedure laid down and keeping in view the costing sheet.
7. The Commissioner of Civil Supplies shall ensure that the paddy procurement under Decentralised procurement at MSP is done throughout the State.
8. Since Decentralised procurement is being taken up for the first time in the State, the VC & Managing Director of AP State Civil Supplies Corporation shall be permitted to take on deputation the required Officers and staff from the FCI for implementation of the scheme. He is requested to come up with proposal for the additional required staff required for quality check, maintenance of godowns, accounting procedures etc. from various sources for the implementation of the scheme.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

HARPREET SINGH
EX-OFFICIO SECRETARY TO GOVERNMENT

To

The Commissioner of Civil Supplies, Hyderabad

The Vice Chairman & Managing Director,

A.P. State Civil Supplies Corporation Ltd., Hyderabad

Copy to:-

The Secretary to Government of India, Ministry of Consumer Affairs, Food and
Public Distribution, Department of Food and Public Distribution,
New Delhi.

The Chairman & Managing Director, Food Corporation of India, New Delhi

All Collectors / Joint Collectors/ District Supply Officers in the State

The General Manager, Food Corporation of India, AP, Hyderabad

The Addl. Secretary to Chief Minister

The PS to Minister for Food and Civil Supplies

The PS to Chief Secretary

// FORWARDED:: BY ORDER //

SECTION OFFICER